Alberta

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Aboriginal Relations

Annual Report
2008-2009

Government of Alberta

Aboriginal Relations

Annual Report
2008-2009

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and *the Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of the 24 Ministries.

The annual report of the Government of Alberta released June 30, 2009 contains Ministers' accountability statements, the consolidated financial statements of the Province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Aboriginal Relations contains the Minister's accountability statement, the financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes:

- **Other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.**

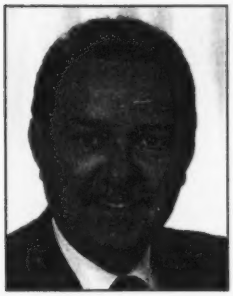
Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2009, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's decisions as at September 3, 2009 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

ORIGINAL SIGNED BY

Gene Zwozdesky
Minister of Aboriginal Relations

Message from the Minister of Aboriginal Relations



I am proud to report we have achieved many significant milestones since Premier Stelmach created the stand-alone Ministry of Aboriginal Relations in March 2008. I look forward to more achievements in the coming year largely because of the dedicated staff in my Ministry.

Together we continue to make great strides in increasing economic participation opportunities for First Nations, Métis and Inuit people in Alberta.

Our most significant achievement during 2008-09 was the creation of the historic *Protocol Agreement on Government-to-Government Relations* signed by the Premier, the Grand Chiefs and Vice Chiefs of Treaties 6, 7 and 8, and me, in May.

This agreement ensures that Alberta will work with First Nations through mutually negotiated and signed agreements, protocols, memoranda and understandings. These provisions recognize the importance to First Nations leaders of establishing relations directly with elected provincial representatives.

The year also saw the signing of two important agreements with representatives of the 85,000 Métis people of Alberta, the largest Métis population in the country.

In June, the Government of Alberta and the Métis Nation of Alberta Association (MNAA) signed a new seven-year agreement to work together to enhance the economic and community well-being of Métis people in Alberta.

Highlights of this new Framework Agreement include a commitment for the government and MNAA to work together on strengthening multi-department co-ordination within the provincial government to address Métis needs, improving meaningful input for Métis people into public policy development and improving Métis access to provincial services, including health and education.

The Government of Alberta and the Métis Settlements General Council (MSGC) signed an agreement involving up to $18 million in conditional grants over the next three years to support ongoing efforts to achieve the three broad objectives or "pillars" of the agreement—effective governance, enhanced accountability and sustainability for the province's eight Métis Settlements.

Alberta is proud to be home to one of the largest, youngest and fastest-growing Aboriginal populations in Canada.

In the coming year, the Ministry will continue to work with other ministries, the federal and Aboriginal governments and industry, to build upon our past successes as we strive to strengthen relations with the First Nations, Métis and Inuit people in Alberta.

ORIGINAL SIGNED BY

Gene Zwozdesky
Minister of Aboriginal Relations
Deputy Government House Leader
September 3, 2009

Management's Responsibility for Reporting

The Ministry of Aboriginal Relations is a single entity and does not have regulated funds, provincial entities or government entities as part of its operations. The Métis Settlements Appeal Tribunal reports directly to the Minister.

The executives of the Ministry have the primary responsibility and accountability for the Ministry. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations, and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Aboriginal Relations. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information agrees with the underlying data and with the sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information.
- Completeness – Performance measures and targets match those included in Budget 2008. Actual results are presented for all measures.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

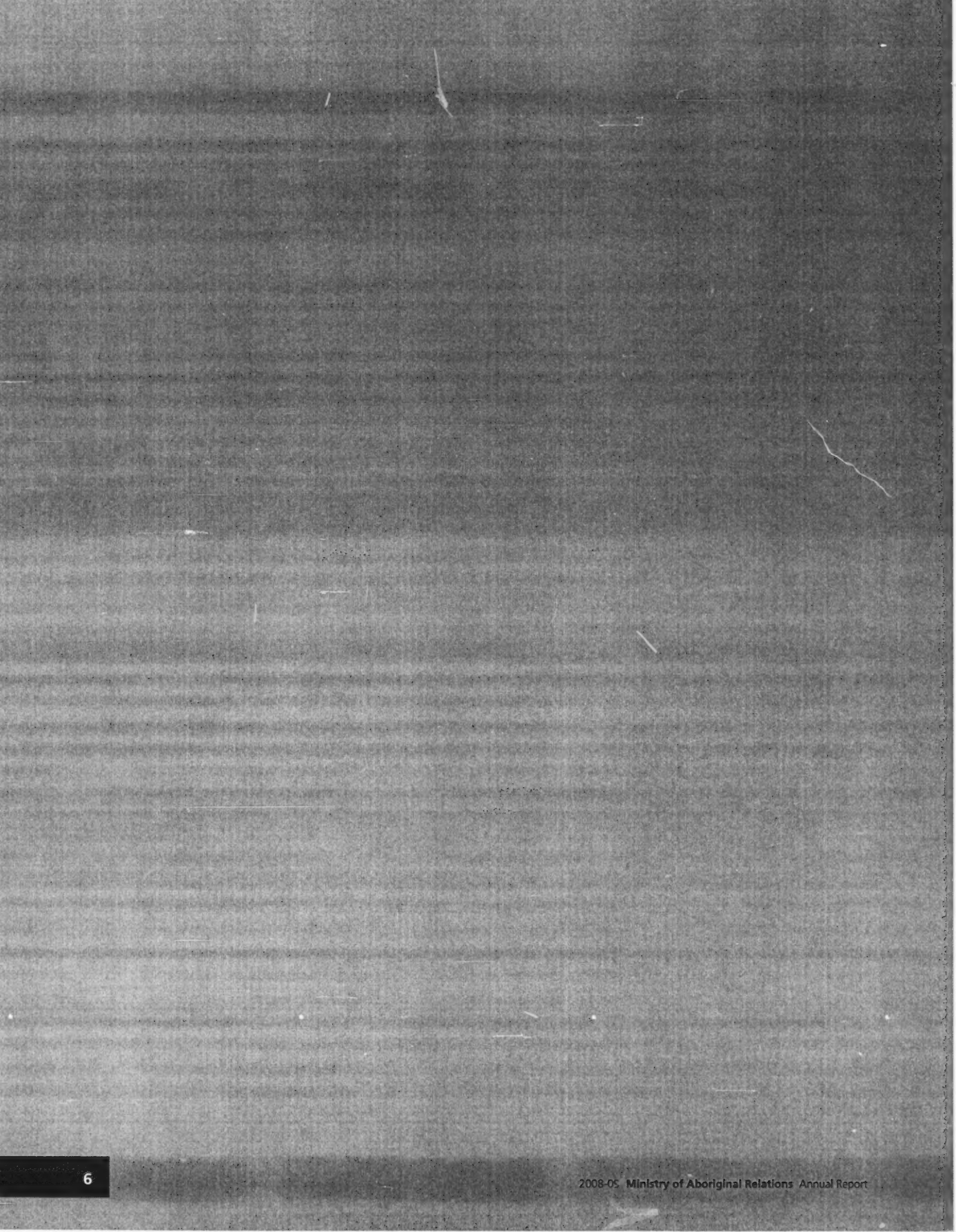
- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and Enterprise, and the Minister of Aboriginal Relations any information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executives within the Ministry.

ORIGINAL SIGNED BY

Maria David-Evans
Deputy Minister
Aboriginal Relations
September 3, 2009

OVERVIEW



Vision

Strong and vibrant Aboriginal communities and people, fully participating in the opportunities of a prosperous and diverse Alberta.

Mission

Lead the development of government-wide strategies and policies to enhance capacity and well-being of Aboriginal people, by building respectful relationships, collaborating and partnering with other ministries, Aboriginal governments and organizations, industry, other levels of government and various stakeholders.

Core Businesses and Goals

In 2008-09, the Ministry of Aboriginal Relations had two core businesses and two goals:

Core Business One: First Nations and Métis Relations

Goal One: Build capacity for economic participation, self-reliance and effective governance within Aboriginal governments and organizations.

The Ministry provides advice and specialized knowledge to Aboriginal communities, organizations, provincial departments, federal and municipal governments and industry to support the well-being and self-reliance of Aboriginal people. Support is provided through participation in cross-ministry strategies affecting Aboriginal people, industry partnerships, urban Aboriginal initiatives, relationship-building with Aboriginal governments and organizations, governance initiatives and capacity-building.

Core Business Two: Consultation and Land Claims

Goal Two: Lead Alberta's Aboriginal consultation strategy and facilitate the resolution of land issues.

The Ministry advances strategic priorities related to Aboriginal governance and consultation including implementation of consultation policy and guidelines, continued support for the development of Traditional Use Studies to support consultation and the establishment of regulatory frameworks on reserves to encourage economic growth.

Organizational Structure

The Ministry's organizational structure is outlined in Figure 1.

The Ministry includes two operational divisions, one supporting division and shares corporate services with the Ministry of International and Intergovernmental Relations (IIR), as outlined below:

First Nations and Métis Relations Division

This division works with Aboriginal communities and other partners to enhance social and economic opportunities for Aboriginal people in Alberta. It oversees agreements between the Alberta government and Aboriginal organizations and is responsible for the administration of Métis Settlements legislation in Alberta.

Consultation and Land Claims Division
This division identifies and resolves land-based issues in Alberta, co-ordinates provincial government activities regarding Aboriginal land claims and works with Alberta Justice to represent Alberta's interests in litigation. It also co-ordinates initiatives related to First Nation consultation on land and resource development, manages consultation capacity and Traditional Use Studies programs and co-ordinates initiatives to help build Aboriginal self-sufficiency.

Policy and Planning Division
The Policy and Planning program area provides support to all sections of the Ministry in the development of recommendations regarding major policy issues, leads corporate planning on behalf of the Ministry, leads the Ministry's participation in federal/provincial/territorial relations on Aboriginal matters and oversees the implementation of the Aboriginal Policy Framework.

Communications Division
This section provides a range of services including strategic communications planning, issues management, media monitoring and media relations, advertising and responses to public inquiries.

Corporate Services Division
This division provides support services including financial services, information management, information technology, administrative services and freedom of information and protection of privacy.

Human Resource Services Section
As part of the Corporate Services Division, this section provides services related to staffing including employee recruitment, human resource planning, employee attraction and retention and employee development.

Ministerial Relationships

The Ministry also supports the *Protocol Agreement on Government-to-Government Relations*, Métis Settlements Appeal Tribunal and the Office of the Métis Settlements Ombudsman.

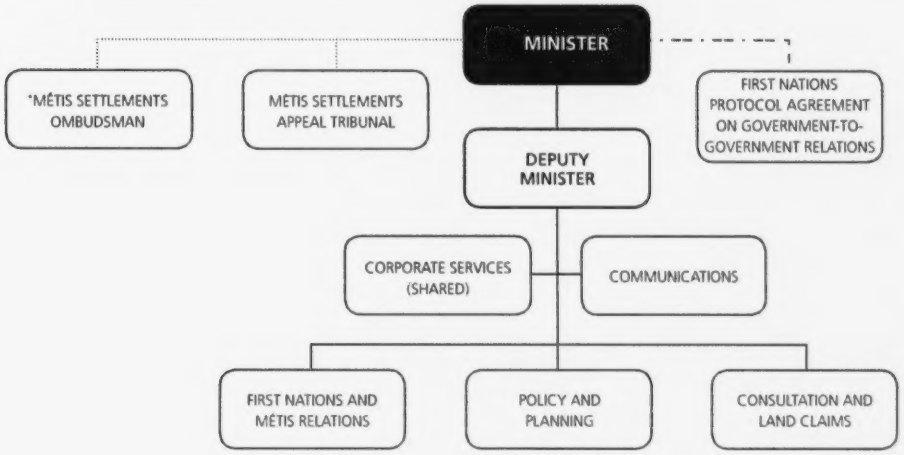
Protocol Agreement on Government-to-Government Relations
The Protocol Agreement recognizes the importance of having effective relationships between the Government of Alberta and First Nations and provides regular opportunities for engagement between elected officials.

Métis Settlements Appeal Tribunal
The Métis Settlements Appeal Tribunal is a quasi-judicial body established by the *Métis Settlements Act* to resolve disputes pertaining to land, membership and surface access. The chair of the Tribunal has a reporting function to the Minister of Aboriginal Relations. Administrative support and staffing are provided by the Ministry.

Office of the Métis Settlements Ombudsman

The Office of the Métis Settlements Ombudsman is an independent structure with delegated ministerial authority through government regulation to investigate and report on complaints about Métis Settlement councils and administrations on issues of management, procedural fairness and conflicts of interest.

FIGURE 1 » MINISTRY OF ABORIGINAL RELATIONS 2008-09 ORGANIZATIONAL STRUCTURE



* Métis Settlements Ombudsman is under contract to the Minister.
..... Reflects independent components of Ministry
– · – – Reflects the importance of relationships between First Nations and the Government of Alberta

CONTACT INFORMATION

Ministry of Aboriginal Relations
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Fax: 780 • 415 9548
Website: www.aboriginal.alberta.ca

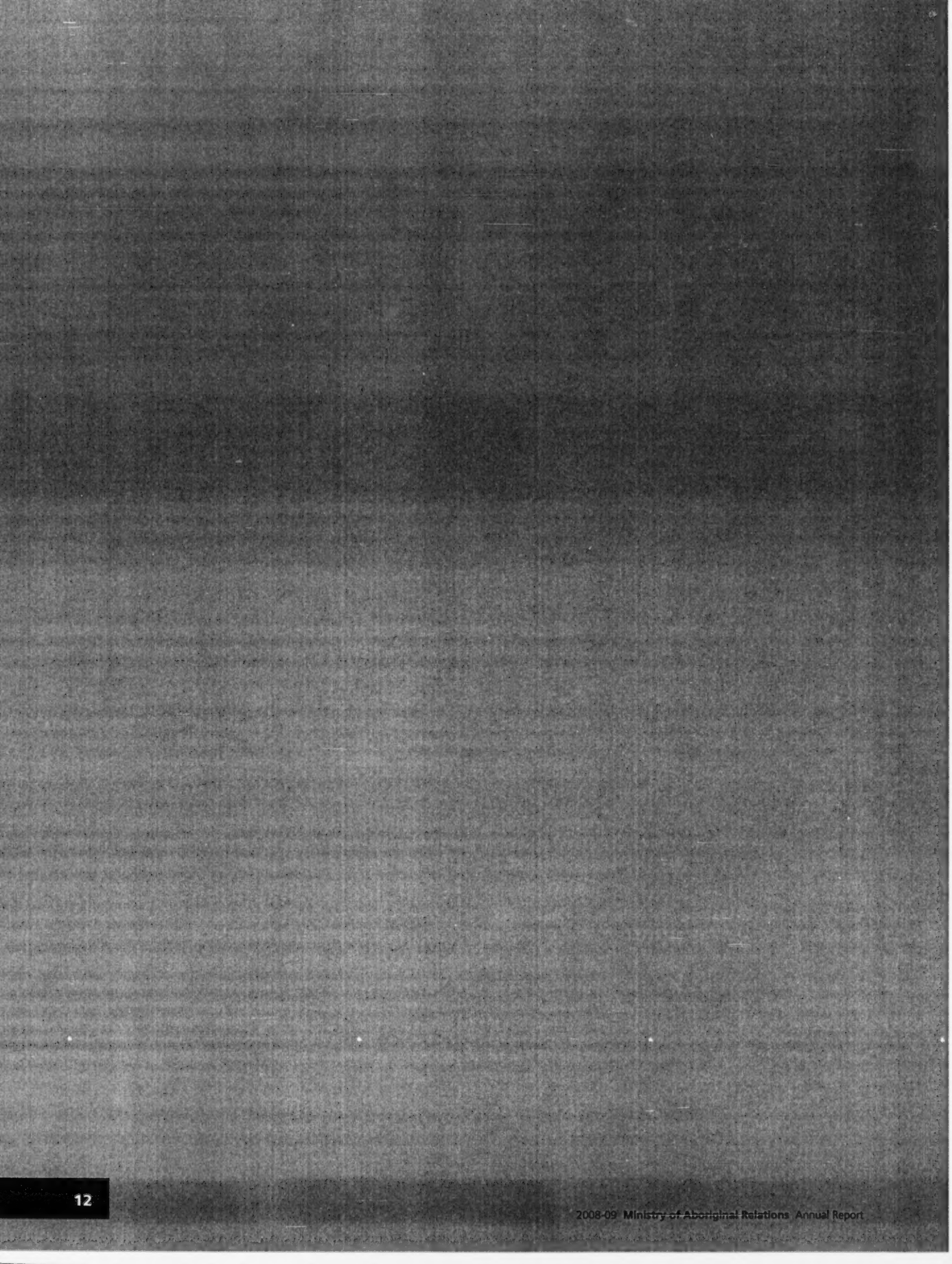
Key Activities in 2008-09

In 2008-09, the Ministry's activities supported the government's priority to promote strong and vibrant communities. Key activities over the past year included the following:

- Premier Stelmach, Aboriginal Relations Minister Gene Zwozdesky and the Grand Chiefs and Vice Chiefs of Treaties 6, 7 and 8 signed the *Protocol Agreement on Government-to-Government Relations* in May 2008. This agreement outlines processes to maintain effective relationships and recognizes the importance of relationship-building between First Nations leadership and elected provincial representatives.

- The Government of Alberta and the Métis Nation of Alberta Association signed a new seven-year *Alberta/Métis Nation of Alberta Association Framework Agreement* in June 2008. This agreement provides a mechanism for both parties to work co-operatively and collaboratively to strengthen Métis economic development and community well-being, while helping to preserve Métis identity and cultural heritage.
- Minister Gene Zwozdesky was honoured by being named Chief Running Wolf by the Blood Tribe in September 2008.
- The Government of Alberta and the Métis Settlements General Council worked toward developing a long-term governance and funding arrangement and signed an $18-million, three-year interim funding agreement in September 2008.
- The MLA Committee of the First Nations, Métis and Inuit Workforce Planning Initiative, which Aboriginal Relations co-leads, visited Fort McKay First Nation, Siksika Nation, Aseniwuche Winewak Nation and Whitefish (Goodfish) Lake First Nation. These visits provided opportunities for the communities to showcase accomplishments, and identify challenges and barriers to increasing employment rates and economic participation.
- The First Nations Economic Partnerships Initiative program included 14 agreements under the Regional Partnership Development Program, 18 projects under the Strategic Economic Initiatives Program and 10 under the Economic Capacity Building Program.
- The Ministry continued to co-lead the Aboriginal Youth Suicide Prevention Strategy which focuses on enhancing the well-being of Aboriginal youth in a holistic fashion.
- The Government of Alberta, with specialized knowledge and advice from the Ministry, continued to engage in discussions with the federal government, the Blood Tribe and Treaty 8 First Nations of Alberta regarding self-governance.
- The Ministry provided funding and advisory support to Native Friendship Centres across the province, assisting them in delivering services to Aboriginal people transitioning to an urban setting.
- The First Nations Development Fund Grant Program allocated over $101 million to support more than 200 economic, social and community development projects for First Nations communities.
- The Ministry co-ordinated Alberta's participation in land claims negotiations between Canada and First Nations. During the year, the treaty land entitlement claims for Fort McKay First Nation, Athabasca Chipewyan First Nation and Piikani Nation were fully implemented.
- First Nations' capacity to participate in the consultation process was enhanced through continued administration of the First Nations Consultation Capacity Investment Program. Forty First Nations provided single points of contact, which aids in the streamlining of the consultation process.
- The Ministry co-ordinated the consultation activities of other Alberta ministries by chairing the Aboriginal Consultation Co-ordination Group and provided consultation advice to other ministries on such initiatives as the Land-Use Framework and the Oil Sands Strategic Plan.
- The Ministry administered and supported the Aboriginal Consultation Information System where information on consultation-related activities can be accessed by approximately 600 cross-ministry users.
- The Traditional Use Studies Program completed its third year of programming. Thirty-nine of 47 First Nations have signed data-sharing agreements with Alberta.

RESULTS ANALYSIS



Auditor General's Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as "Reviewed by Auditor General" included in the Ministry of Aboriginal Relations' *2008-09 Annual Report*. These performance measures are prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information.
- Completeness – performance measures and targets match those included in Budget 2008. Actual results are presented for all measures.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Ministry. My review was not designed to provide assurance on the relevance of these performance measures.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these performance measures.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measures in the Ministry's *2008-09 Annual Report* are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of these performance measures.

ORIGINAL SIGNED BY FRED J. DUNN, FCA
Auditor General

Edmonton, Alberta
August 26, 2009

Financial Overview

Expenses by Core Business and Function

TABLE 1 » MINISTRY EXPENSES BY CORE BUSINESS
For the year ended March 31, 2009
(IN THOUSANDS)

	2008-09 BUDGET	2008-09 ACTUAL	2007-08 ACTUAL
First Nations and Métis Relations	$ 150,253	$ 141,369	$ 94,576
Total Expenses	$ 150,253	$ 141,369	$ 94,576

Integrated Results Analysis

The table above is a comparison of 2008-09 actual expenses to the 2008-09 budget and 2007-08 actual expenses for the Ministry's core business, First Nations and Métis Relations. The actual expenses for 2008-09 were $141.4 million, which was less than the $150.3 million budget resulting in a surplus of $8.9 million. Most of the Ministry surplus was a result of First Nations Development Fund (FNDF) revenues falling short of budget estimates. Since grants can only be approved based on available revenue, FNDF expenses were $8.125 million lower than budgeted. Reallocation to government priorities accounts for much of the remaining surplus.

The Ministry expense for 2008-09 was $46.8 million higher than in the previous year. This increase was primarily due to increased spending on FNDF Grants to reflect increased revenues in slot machines at casinos at host First Nations.

Ministry expenses are allocated entirely to the Regional Planning and Development function of the Government of Alberta.

Economic Participation, Self-Reliance and Effective Governance

Goal one of the Ministry relates to the core business of First Nations and Métis Relations. The focus of this goal is to build capacity for economic participation, self-reliance and effective governance within Aboriginal governments and organizations.

The Ministry provided advice and specialized knowledge to Aboriginal communities, organizations, provincial, federal and municipal governments and industry to support the well-being and self-reliance of Aboriginal people. Support was provided through participation in cross-ministry strategies affecting Aboriginal people, industry partnerships, urban Aboriginal initiatives, relationship-building with Aboriginal governments and organizations, governance initiatives and capacity-building.

Long-Term Governance and Funding Arrangement with Métis Settlements in Alberta

The Government of Alberta and the Métis Settlements General Council (MSGC) worked toward developing a long-term governance and funding arrangement. As noted in the Minister's mandate letter from the Premier, the three broad objectives or "pillars" of the agreement will be effective governance, enhanced accountability and sustainability.

The Métis Settlements General Council is the political and administrative body for the collective interests of the eight Alberta Métis Settlements of Buffalo Lake, East Prairie, Elizabeth, Fishing Lake, Gift Lake, Kikino, Paddle Prairie and Peavine.

In the meantime, an $18-million, three-year interim funding agreement was signed on Sept. 18, 2008. The interim agreement focuses on the three pillars and includes a number of performance measures under each pillar. Examples of performance measures include: improving Settlement administrative capacity, developing a conflict-of-interest policy, development of infrastructure master plans and improvements in child care and education results.

The agreement also contains a provision requiring a review at the end of each of the three fiscal years to assess whether it is achieving the objectives of the three pillars. A joint Aboriginal Relations and MSGC committee conducted the review and determined that the agreement has been achieving its objectives. Both the long-term agreement and the interim agreement present opportunities to focus on the objectives of the 1989 Alberta-Métis Settlements Accord: local autonomy and economic self-sufficiency.

The Protocol Agreement on Government-to-Government Relations

On May 22, 2008, Premier Ed Stelmach, Aboriginal Relations Minister Gene Zwozdesky and the Grand Chiefs and Vice Chiefs of Treaties 6, 7 and 8 signed a historic agreement establishing a framework for future relations. The *Protocol Agreement on Government-to-Government Relations* outlines processes to maintain effective relationships and recognizes the importance to First Nation leaders of establishing relations directly with elected provincial representatives. The Protocol Agreement includes a commitment that Grand Chiefs and Vice Chiefs will meet with the Premier once a year and twice a year with Ministers responsible for consultation with First Nations regarding land and resource development (Consultation Ministers). It also facilitates the possibility of other Ministers undertaking similar meetings and processes.

In Alberta, there are 47 First Nations in three treaty areas (Treaties 6, 7 and 8) and 134 reserves encompassing approximately 741,427 hectares of reserve land. The most commonly spoken First Nation languages are: Blackfoot, Cree, Chipewyan, Dene, Sarcee and Stoney (Nakoda Sioux).

Source: First Nations in Alberta—Indian and Northern Affairs Canada and Ministry of Aboriginal Relations

On July 21, 2008, the Minister of Aboriginal Relations met with the Grand Chiefs and Vice Chiefs as agreed under the Protocol Agreement. Several important issues were discussed at this inaugural meeting including First Nations education, the Government of Alberta's Land-Use Framework and the First Nations Development Fund.

TREATY 6	TREATY 7	TREATY 8
Signed at Carlton and Fort Pitt in 1876.	Signed at the Blackfoot Crossing of Bow River and Fort Macleod in 1877.	Signed at Lesser Slave Lake in 1899.
Covers central Alberta and Saskatchewan.	Covers southern Alberta.	Covers portions of northern Alberta, British Columbia, Saskatchewan and part of the Northwest Territories.
Includes 17 First Nations in Alberta.	Includes 7 First Nations in Alberta.	Includes 23 First Nations in Alberta.

Source: First Nations in Alberta—Indian and Northern Affairs Canada and Ministry of Aboriginal Relations

A meeting was also held on Feb. 3, 2009 between the Consultation Ministers and the Grand Chiefs and Vice Chiefs. This meeting set the stage for future discussions and resulted in the appointment of representatives from each provincial Treaty organization to a Protocol Agreement planning committee. The first committee meeting occurred on Feb. 24, 2009 resulting in development of a draft terms of reference and a draft work plan for implementation of the Protocol Agreement for approval of the Grand Chiefs, Vice Chiefs, Ministers and Premier. This plan was formally approved at the May 20, 2009 meeting between Premier Ed Stelmach, Minister Gene Zwozdesky and Grand Chiefs of Treaties 6, 7 and 8. Aboriginal Relations provided $400,000 in capacity funding to support the implementation of the Protocol Agreement.

First Nations, Métis and Inuit Workforce Planning Initiative

The Ministry is committed to working with Aboriginal governments and organizations to achieve our shared goal of full involvement of Aboriginal people in the economic life of Alberta. The First Nations, Métis and Inuit (FNMI) Workforce Planning Initiative – which Aboriginal Relations co-leads with Employment and Immigration – supports engagement of First Nations and Métis leaders and other stakeholders to seek partnerships and support the development of collaborative action plans to enhance Aboriginal participation in Alberta's work force.

Under the Initiative, an MLA Committee was established to engage Aboriginal leadership in the development of collaborative workforce action plans, to participate in discussion forums with urban Aboriginal communities across the province and to contribute to a summary report including potential recommendations. During 2008-09, the MLA Committee visited Fort McKay First Nation, Siksika Nation, Aseniwuche Winewak Nation and Whitefish (Goodfish) Lake First Nation. These community visits provided opportunities for each community to showcase accomplishments and identify challenges and barriers to increasing employment rates and economic participation.

First Nations Economic Partnerships Initiative

The Ministry continued to deliver the First Nations Economic Partnerships Initiative in collaboration with the Ministry of Employment and Immigration. Results for 2008-09 are summarized below, along with a description of the three components of the program:

- The Regional Partnership Development Program facilitates partnerships between First Nations and industry and co-ordinates regional economic development activities. Agreements were developed with 14 Tribal Councils and unaffiliated First Nations to deploy regional economic partnership co-ordinators. A review of the program indicated that it did not achieve intended objectives. As a result, Regional Partnership Development program funding is being refocused to support projects in other FNEPI program areas, beginning in the 2009-10 fiscal year.
- The Strategic Economic Initiatives Program encourages sustainable economic projects between First Nations, industry and other levels of government. Eighteen new projects were undertaken in 2008-09 with total grant contributions exceeding $1.1 million. Examples included:
  - Cree Star Transportation Ltd. – Strategic Economic Initiatives Program contributed $86,000 toward the development of freight and gravel-hauling services by Cree Star Transportation Ltd., wholly owned by Samson Cree Nation. The funding led to commercial financing for the project, resulting in the employment of several Samson Cree Nation members as Class 1 drivers.
  - Kehewin Cree Nation-Devon Canada Corp. partnership – A $100,000 contribution to Devon Canada Corp. led to a creation of a lease construction business that provides services to the oil and gas sector operating near Kehewin. The business employs several members of the Kehewin First Nation and provides them an opportunity to build their capacity to operate a profitable enterprise.
- The Economic Capacity Building Program assists First Nations people and communities to enhance their self-sufficiency by developing economic capacity. Ten new initiatives were implemented over the past year. Project outcomes included:
  - Establishment of a youth entrepreneurship camp and a training DVD involving the five Athabasca Tribal Council First Nations communities.
  - Development of a toolkit to support the enhanced capacity of Tribal Chiefs, Councils, Economic Development Officers and First Nation-owned investment corporations in negotiating business agreements.
  - Development of a strategic plan for investment and development of business opportunities for Smith's Landing First Nation.

Gathering for Success

By the end of the fiscal year, preparations were well under way for the *Gathering for Success: Sharing Indigenous Economic Development Practices*, a symposium that took place June 28-30, 2009 in Banff. This event was held in partnership with Treaty 7 Management Corporation. The symposium provided a forum for Aboriginal communities to network, share successes and build partnerships with leaders from industry, government and other Aboriginal communities from across Canada and around the world.

The Blood Tribe welcomed Minister Gene Zwozdesky into their tribe by naming him Chief Running Wolf and bestowed on him a Chief's headdress during a ceremony on the Blood Reserve in September 2008. The honour pays tribute to the Minister's efforts to improve First Nations relations, including his part in developing a historic Protocol Agreement signed by Premier Ed Stelmach and the Alberta Grand Chiefs and Vice Chiefs.

Aboriginal Perspectives – Cross-Ministry Initiatives

The Ministry was active in providing on-going support, specialized knowledge and advice for the development and implementation of cross-ministry social and health initiatives, ensuring the needs of Aboriginal people were included. The Ministry participated in numerous cross-ministry initiatives designed to increase the knowledge and the capacity of government and community organizations to address and respond to a variety of social and health issues. Aboriginal Relations promotes strong and vibrant communities through the policies, programs and resources developed through all these initiatives.

The Ministry continued to co-lead the Aboriginal Youth Suicide Prevention Strategy (AYSPS) with Children and Youth Services and Alberta Health and Wellness. A 2007-08 evaluation indicated that the five AYSPS pilot sites were successful in fulfilling their vision that Aboriginal youth feel hopeful, empowered and optimistic about their futures.

Changes were made in 2008-09 to the name, vision, mission and goals of the strategy to align it more closely to the approach preferred by Aboriginal communities – to enhance the overall physical, mental, emotional and spiritual wellness of Aboriginal youth. The name of the strategy was changed to *Honouring Life: Aboriginal Youth and Communities Empowerment Strategy* (AYCES). The new name and approach shifted away from strictly suicide prevention to focus on enhancing the well-being of Aboriginal youth in a holistic fashion. As of April 1, 2009, administration of this strategy was transferred to the Alberta Health Services Board.

The Alberta Mentoring Partnership team is comprised of representatives of three government-funded organizations, 16 community agencies, two youth representatives and 10 Alberta government ministries: Aboriginal Relations; Advanced Education and Technology; Agriculture and Rural Development; Children and Youth Services; Education; Employment and Immigration; Health and Wellness; Justice; Seniors and Community Supports and Solicitor General and Public Security.

The Alberta Mentoring Partnership was a new initiative in 2008-09. The goals of the partnership are to ensure there are sustainable mentoring programs across Alberta and to improve mentoring program delivery. Research links mentoring to crime prevention and shows that youth involved in mentoring programs are less likely to start using drugs and alcohol. In addition, mentoring increases school attendance, reduces violent behaviour and improves self-esteem. Aboriginal Relations is a co-lead for a pilot project strategy under this initiative. Throughout 2008-09, the Ministry worked collaboratively with partners to identify potential pilot project sites and assisted these sites in the development of project proposals.

The Ministry began working with Solicitor General and Public Security to obtain funding for five police officers for a three-year pilot project on Métis Settlements. Funding was secured from the Safe Communities Initiative to allow the eight Métis Settlements to share these police officers. Their primary responsibilities will be to address community priorities identified by the Settlements to help make their communities safer and more vibrant.

Aboriginal Relations also provided strategic and policy advice while involved in the following cross-ministry initiatives:

- Fetal Alcohol Spectrum Disorder – Cross-Ministry Committee
- Child and Youth Data Lab
- Alberta Suicide Prevention Strategy
- Healthy Kids Alberta
- The Injury Prevention Strategy
- Children's Mental Health Plan for Alberta
- ADM Cross-Ministry Affordable Housing Committee
- Culture Policy Initiative.

In addition to the above cross-ministry initiatives, the Ministry also provided specialized knowledge and advice to the following:

- **Strategy for the Prevention of Family Violence and Bullying** – This strategy supports the province's priority to reduce crime and promote strong, safe and vibrant communities by putting an end to family violence and bullying. Ministry representatives participated on three sub-committees for this initiative: Bullying Working Group, Diversity Relations Committee and a Performance Measurement Working Group, which developed a performance measurement framework for the strategy during 2008-09.
- **The First Nations, Métis and Inuit (FNMI) Education Policy Framework** – This framework contains priority strategies designed to:
  - Increase the attendance, retention and graduation rates of FNMI students;
  - Increase the number of FNMI teachers and school personnel;
  - Facilitate the continuous development and delivery of FNMI courses and professional development;
  - Increase FNMI access to post-secondary and other adult education and training opportunities; and
  - Build working relationships that contribute to quality learning opportunities for FNMI students.

CAREERS: The Next Generation, is an Alberta industry-sponsored foundation that works with high school students in the development of employable skills in trades and technologies, primarily through work-site learning. Aboriginal Relations supports the foundation's work with Aboriginal youth to promote the importance of high school completion and meaningful career development.

The Ministry contributed to Aboriginal education policy and programming by providing Education with information on Aboriginal initiatives, trends and issues and through the Ministry's continued membership on the FNMI Education Advisory Committee, part of the FNMI Education Policy Framework. The committee, which meets twice annually to review progress and to set priorities for ongoing work, is comprised of First Nation and Métis authorities, other key education stakeholders and government departments.

- **CAREERS: The Next Generation** – The goal of this initiative is to help Aboriginal students, their communities, schools and industry to meet the needs of youth in finding rewarding careers and addressing Alberta's skilled labour shortages. The Deputy Minister of Aboriginal Relations is a board member along with other ministry Deputy Ministers and industry representatives.
- **Inspiring Education: A Dialogue with Albertans** – The goal of Inspiring Education is to provide a new vision for education in Alberta and provide a policy framework that will guide the Ministry of Education and inform legislation (*School Act*). A Ministry staff member sits on the working committee of this initiative.
- **Safe Communities Secretariat** – SafeCom was established in April 2008 in response to *Keeping Communities Safe: Report and Recommendations*.

SafeCom is comprised of nine partnering ministries: Aboriginal Relations; Children and Youth Services; Culture and Community Spirit; Education; Health and Wellness; Housing and Urban Affairs; Justice; Municipal Affairs; and Solicitor General and Public Security. During the year, a staff member of the Ministry was seconded to work with SafeCom to provide strategic advice and support on Aboriginal issues.

Self-Governance

During 2008-09, Alberta continued to engage in discussions with the federal government, the Blood Tribe and Treaty 8 First Nations of Alberta regarding self-governance.

In 2003, an agreement-in-principle was signed between the Blood Tribe, the Government of Alberta and the Government of Canada regarding Blood Tribe governance of children, youth and family services. The parties have continued to work toward completion and eventual implementation of a Blood Tribe governance agreement. The primary issue under discussion during 2008-09 was the type of legislative model that would be adopted to implement the Blood Tribe government agreement. The Alberta government was seeking to adopt a model that reflects Alberta's understanding of current law and is consistent with the approach the Blood Tribe has stated it could accept.

The Ministry supported the Minister of Aboriginal Relations in discussions with the Minister of Indian and Northern Affairs Canada and the Chief of the Blood Tribe. Discussions focused on the selection of an appropriate legislative model to support completion and implementation of a Blood Tribe governance agreement. A commitment to develop an approach mutually acceptable to all parties was confirmed at a March 2009 meeting.

Treaty 8 First Nations of Alberta and the federal government continued to explore potential self-governance arrangements. This year, similar to the Blood Tribe, there was a particular focus on children, youth and family services as well as on education.

Aboriginal Relations co-ordinated participation of Alberta's ministries of Education and Children and Youth Services, the federal government and Treaty 8 First Nations of Alberta to discuss the potential scope, limitations and issues regarding Treaty 8 First Nations self-governance. Meetings are expected to continue next year.

Urban Aboriginal Initiatives

Participation by Aboriginal people in Alberta in the social and economic life of the province is increasingly being recognized for its importance to a diverse and prosperous Alberta.

The Ministry continued to work as an adviser and funding partner with Alberta ministries, federal and municipal governments, Native Friendship Centres and other Aboriginal organizations to develop and implement strategies and initiatives that address both emerging and on-going issues of the urban Aboriginal population.

The Ministry provided funding and advisory support to Native Friendship Centres across the province, assisting them in delivering services to Aboriginal people transitioning to an urban setting. The Ministry provided $707,000 in operating funding to the 20 Alberta Friendship Centres and the Alberta Native Friendship Centre Association to support health, employment, housing, community information, recreation and cultural programs.

URBAN ABORIGINAL IDENTITY POPULATION

City	Population	% Alberta Aboriginal Population
Edmonton	38,170	20.3%
Calgary	24,420	13.0%
Grande Prairie	4,365	2.3%
Red Deer	3,600	1.9%
Lethbridge	3,455	1.8%

Source: Statistics Canada 2006 Census of Canada

In 2008-09, the Ministry, in partnership with federal and municipal governments, Aboriginal organizations and other stakeholders, delivered the Urban Aboriginal Strategy. The Ministry provided a total of $390,000 to the three provincial sites to support national and local Aboriginal community priorities. This includes providing $190,000 to help establish Wicihitowin: Circle of Shared Responsibility Society, a new community-designed organization that addresses issues facing Edmonton's growing Aboriginal population. The funding will support the organization's operations including research for solutions to issues such as health, employment, housing, education, and economic development.

Alberta/Métis Nation of Alberta Association Framework Agreement

On June 18, 2008, the Government of Alberta and the Métis Nation of Alberta Association (MNAA) signed a new seven-year *Alberta/Métis Nation of Alberta Association Framework Agreement*. The Framework Agreement provides a mechanism for Alberta and the MNAA to work co-operatively and collaboratively to strengthen Métis economic development and community well-being, while helping to preserve Métis identity and cultural heritage.

Highlights of the Framework Agreement include a commitment for the government and MNAA to work together on:

- Strengthening multi-department co-ordination within the provincial government to address Métis needs;
- Improving meaningful input for Métis into public policy development; and
- Improving Métis access to provincial services, including health and education.

The Métis Nation of Alberta Association has had a presence in the province since 1928 and exists to advocate on behalf and meet the needs and aspirations of the Métis people of Alberta living off-Settlement. The MNAA's current vision is a strong Métis Nation embracing Métis rights and its mission is to pursue the advancement of the socio-economic and cultural well-being of the Métis people of Alberta.

The MNAA has committed to developing three-year annual business plans. A joint technical committee was also established to implement performance measures for the agreement. The measures include the development of criteria to assess the progress toward the goals of the agreement and to review the adequacy of funding provided by the Ministry.

First Nations Development Fund

40 per cent of government-owned slot machine proceeds in all First Nation-operated casinos are allocated to the FNDF. First Nations with on-reserve casinos (host First Nations) receive 75 per cent of these dollars. The remaining 25 per cent of funding is allocated to First Nations who do not have on-reserve casinos. The host First Nations in Alberta currently receiving support from the fund are: Enoch Cree Nation, Cold Lake First Nation, Alexis Nakota Sioux First Nation, Stoney Nakoda First Nation and Tsuu T'ina Nation.

With the establishment of the new Ministry of Aboriginal Relations in March 2008, the First Nations Development Fund (FNDF) grant program came under the management of the Ministry. The program was established as a result of the 2001 First Nations Gaming Policy which allocates proceeds from government-owned slot machines located in First Nations casinos in Alberta. The FNDF is available exclusively to First Nations in Alberta, upon application, for social, economic and community development projects. Currently, the fund contributes more than $100 million annually to First Nations in Alberta.

In 2008-09, the fund allocated $101.5 million to support more than 200 economic, social and community development projects for First Nations communities. Examples of these projects include:

- Saddle Lake First Nation: $60,000 approved to purchase books, equipment and materials for the elementary school library
- Blood Tribe: $200,000 approved for community and youth leadership programming
- Kapawe'no First Nation: $1.2 million approved to develop a comprehensive land-use management plan to enhance economic sustainability for the Nation

National and Regional Strategies

The Ministry participates as an adviser, partner and in some cases a funder to develop and implement national and regional strategies to address Aboriginal issues. The Ministry was particularly focused this year on concerns expressed about the health of residents in and near Fort Chipewyan and the education gap that exists between Aboriginal and non-Aboriginal people.

Aboriginal Relations supported the Minister in leading and co-ordinating the Government of Alberta's response to concerns of residents in Fort Chipewyan. This included the development of provincial responses to these health concerns in partnership with the ministries of Environment, Health and Wellness and Sustainable Resource Development. Meetings were held with both First Nations and Métis leadership. The discussions held with the Aboriginal leadership of Fort Chipewyan led to the identification of the community's priority issues: input into the Alberta Land-Use Framework, development of a community health profile, community-based monitoring, and involvement in the regulatory approval process.

The Ministry advocated for increased federal government funding for band-operated schools to close the education funding gap that exists between band-operated schools and provincial schools.

In February 2009, Aboriginal Relations Minister Gene Zwozdesky and Education Minister Dave Hancock, together with Alberta's Aboriginal leaders, attended the First National Aboriginal Education Summit in Saskatoon, which was sponsored by the Council of Ministers of Education, Canada. The aim of this summit was to eliminate the education achievement gap between Aboriginal and non-Aboriginal students.

Métis Settlements General Council Interim Agreement

Reducing the education gap that exists between Aboriginal and non-Aboriginal people was further championed by the Ministry and the Métis Settlements General Council when they signed a three-year, $18 million interim funding agreement, which included performance measures to encourage the Métis Settlements to improve educational attainment and completion levels. The Ministry continued to work with Education, Advanced Education and Technology, First Nations and Métis leadership and the federal government toward the development of formalized agreements and strategies designed to improve educational success for Aboriginal students.

Community Development Trust Initiative

Aboriginal Relations was also allocated $4.3 million for 2008-11 from the federal government's $1 billion Community Development Trust Initiative, which helps provinces and territories assist communities and workers facing economic hardship caused by volatility in global financial and commodities markets. With these funds, the Ministry helped establish projects totalling $400,000 in the four western Métis Settlements of Paddle Prairie, East Prairie, Gift Lake and Peavine. These communities suffered as a result of the downturn in the forestry industry due to the infestation of mountain pine beetle in the forests in this region. In addition to these projects on Métis Settlements, $504,000 was invested in seven remote and non-status Aboriginal communities to develop their organizational capacity and to diversify their economic base. These seven communities included: Aseniwuche Winewak Nation of Canada, Nakcowinewak Nation of Canada, Peerless Lake, Trout Lake, Chipewyan Lake, Calling Lake and Wabasca Métis Local #90.

Aboriginal Community Initiatives

Aboriginal Community Initiatives, formerly known as Aboriginal Justice Initiatives with Solicitor General and Public Security (SolGen), became a part of Aboriginal Relations in November 2008. Its primary focus under SolGen was helping Aboriginal communities become safe and secure by assisting them to build their own safe-community action plans. These plans consisted of crime and violence prevention and victim services initiatives with the intent to instil confidence in the justice system. During 2008-09, Aboriginal Community Initiatives was part of the team that was awarded a Silver Premier's Award of Excellence for the Victims of Crime Protocol project.

With the move to Aboriginal Relations, Aboriginal Community Initiatives has additional responsibilities to promote Aboriginal youth leadership and to work with Aboriginal communities to address issues that impact women and elders.

Goal One Performance Measure

Reviewed by Auditor General[1]

TABLE 2 » NUMBER OF FIRST NATIONS NEGOTIATING STRATEGIC ECONOMIC PARTNERSHIPS

		2007-08 RESULT	2008-09 RESULT	2008-09 TARGET
1.a	Economic Partnerships: Number of First Nations negotiating strategic economic partnerships with industry and other organizations.	16	18	18

SOURCE: ABORIGINAL RELATIONS

During 2008-09, the Strategic Economic Initiatives (SEI) program supported the development of strategic partnerships between 18 First Nations and either industry, post-secondary educational institutions or other organizations. This was an increase of two from the prior fiscal year. Ministry staff continued efforts to ensure the SEI program had an increased profile in First Nation communities.

[1] In prior years, the Office of the Auditor General (OAG) applied specified procedures to all ministry performance measures included in the annual report. In the current year the OAG conducted a limited assurance engagement (review) of a selection of performance measures that are identified in the annual reports as "Reviewed by Auditor General". The measures were selected for review by ministry management based on the following criteria established by government: enduring measures that best represent the goal and mandated initiatives; measures have well established methodology and reporting of data; measures have outcomes over which the government has a greater degree of influence; and each goal has at least one reviewed performance measure.

Consultation and Land Claims

Goal two of the Ministry relates to the core business of consultation and land claims. The focus of this goal is to lead Alberta's Aboriginal consultation strategy and facilitate the resolution of land issues.

The Ministry identified several strategic priorities related to Aboriginal consultation including the implementation of guidelines in support of Alberta's consultation policy, continued support for the development of Traditional Use Studies as a key consultation instrument and the establishment of regulatory frameworks on reserves to encourage economic growth.

Land Claim Negotiations

The Ministry co-ordinates Alberta's participation in land claims negotiations between Canada and First Nations and ensures that the obligations of the province are fulfilled. These land claim negotiations include treaty land entitlement (TLE) claims for which Alberta has an obligation under the *Natural Resources Transfer Agreement* (NRTA). TLE claims arise where obligations as set out in the treaties have not been fulfilled. Although other matters may be involved, TLE claims most commonly involve a remaining entitlement to have Indian reserve lands set aside as promised under Treaties 6, 7 and 8. The number of claims addressed varies each year as each claim typically involves a complex process of in-depth research, negotiations and implementation to satisfy the interests of all parties. The Ministry also co-ordinates Alberta's participation in other land-related negotiations with First Nations.

The Athabasca Chipewyan First Nation Land Exchange was implemented. The land exchange involved the northernmost 33,000 acres (13,355 hectares) of Indian Reserve No. 201 impacted by the construction and operation of the W.A.C. Bennett Dam being exchanged for an equivalent amount of unoccupied provincial Crown land and minerals on the south shore of Lake Athabasca and Richardson Lake. Lands and minerals were transferred to Canada on Dec. 17, 2008.

Since 1986, 12 treaty land entitlement claims have been settled in Alberta totalling 198,281 acres (80,241 hectares) of provincial Crown lands.

The Fort McKay First Nation TLE claim was fully implemented. The agreement provided for the transfer of not less than 20,000 acres (8,100 hectares) of provincial Crown land and minerals. Approximately 8,300 acres (3,359 hectares) were transferred in November 2005. The remaining lands and minerals were transferred to Canada on May 28, 2008.

The Bigstone Cree Nation's TLE claim progressed this year. In early 2009, final land selections were under consideration for Indian reserve lands to be set aside for the Bigstone Cree Nation and the future Peerless-Trout Lake First Nation. At year's end, a preliminary draft of the Canada-Alberta agreement was under discussion and a list of third-party interests has been compiled in addition to the planning to initiate discussions. The Bigstone claim is potentially the largest and most complex TLE claim in Alberta.

Negotiations for Fort McMurray #468 First Nation's TLE claim resumed in January 2009 after an almost six-year delay. The claim was accepted for negotiation in July 1994.

In January 2009, Canada informed Alberta that Beaver First Nation's TLE claim has been accepted for negotiation. A review was being undertaken by Alberta Justice of research previously undertaken to confirm Alberta's constitutional obligation to Canada under Sec.10 of the *Natural Resources Transfer Agreement*.

Aboriginal Consultation in Alberta

"Rights and Traditional Uses" includes uses of public lands such as burial grounds, gathering sites, and historic or ceremonial locations, and existing constitutionally protected rights to hunt, trap and fish, and does not refer to proprietary interests in the land.

Consultation Policy and Guidelines

Strengthening Relationships, The Government of Alberta's Aboriginal Policy Framework recognizes the importance of engaging Aboriginal communities about decisions on land use and resource development. For many such decisions, the rights of Aboriginal communities recognized and affirmed in the *Constitution Act, 1982* obligate Alberta to consult where proposed decisions may adversely impact the ability of Aboriginal communities to practice their constitutionally protected rights on Crown land.

The *Government of Alberta's First Nations Consultation Policy on Land Management and Resource Development* states "Alberta will consult with First Nations where land management and resource development on provincial Crown land may infringe First Nations rights and traditional uses." This policy addresses the manner in which Alberta will consult with First Nations and defines the roles and responsibilities of all parties. This policy is designed to achieve the following:

- Create an approach to consultation that benefits all Albertans;
- Identify a consistent approach to consultation that will be applied by Alberta Government ministries involved in land management and resource development decisions. Land management and resource development means activities arising from disposition or decisions involving forestry, energy and water, fish and wildlife management; and
- Define Alberta's role in the consultation process and to set out Alberta's expectations of First Nations and industry.

Alberta's consultation process is intended to produce better communication, stronger relationships and easier resolution of issues between government and First Nations and industry.

Aboriginal Relations co-ordinates the participation of Alberta ministries with First Nations and industry in the ongoing implementation of the consultation policy and continued to undertake this role during the year. The Ministry spearheaded initiatives aimed at enhancing the consultation process through the balanced participation of First Nations, industry and government. For example, the Ministry met with 492 participants from First Nations, industry and governments to discuss updates to the consultation guidelines.

During 2008-09, the Ministry engaged the Grand Chiefs and Vice Chiefs of Treaties 6, 7 and 8 to frame a process for reviewing the consultation policy and associated guidelines. As well, the Ministry created and led a series of meetings between provincial representatives, First Nations and

industry called the Ideas Group. The purpose of this group was to formulate recommendations on key emergent consultation issues. The key consultation issues considered by this group include notification process, timelines and capacity.

As noted above, Aboriginal Relations' role is to identify a consistent approach to consultation to be applied by Alberta Government ministries. During 2008-09, the ministry chaired the Aboriginal Consultation Co-ordination Group consisting of the following member ministries: Aboriginal Relations, Energy, Environment, Culture and Community Spirit, Sustainable Resource Development, Municipal Affairs, Transportation, Infrastructure, Justice and Treasury Board. The purpose of the group is to co-ordinate cross-ministry policy implementation, management of emerging issues, evaluation of the consultation policy and the development of a consistent cross-ministry approach to Crown consultation.

In addition to the Aboriginal Consultation Co-ordination Group, Aboriginal Relations also supported other initiatives to co-ordinate Alberta's consultation initiative. For example, the Ministry administered the Aboriginal Consultation Information System (ACIS). ACIS is a web-based forum where approximately 600 provincial officials can input and share information on consultation related initiatives, projects and programs. The Ministry revitalized ACIS by conducting information and training sessions for provincial officials in 2008-09.

Aboriginal Relations also supported Sustainable Resource Development in consultations leading up to the draft Land-Use Framework and provided strategic input and advice to the Oil Sands Sustainable Development Secretariat on consultation-related aspects of the Oil Sands Strategic Plan.

Consultation Capacity

Aboriginal Relations enhanced First Nations' capacity to participate in the consultation process through the continued administration of the First Nations Consultation Capacity Investment Program. This program provides funding support to First Nations involved in Alberta's consultation process by assisting them with costs associated with building their internal capacity to engage industry and government in consultation processes. In 2008-09, $6.6 million was allocated to First Nations through the program and covered such costs as the hiring and training of community consultation personnel. Forty First Nations provided a single point of contact for consultation with government and industry.

Having a single point of contact establishes certainty between the proponents of a project (industry and government) and allows a First Nation to provide a single window where consultation will occur. The proponents know who to contact initially and with whom to follow-up. For First Nations, the value is in having a dedicated member of the community able to respond to consultation requests. A single contact within the community means better management of information and a higher level of response to government and industry.

Traditional Use Studies

The Traditional Use Studies program continued in 2008-09 and allocated more than $3 million to support the development of Traditional Use Studies. Twenty-eight First Nations undertook projects related to Traditional Use Studies in 2008-09.

The Ministry also completed negotiations on new data-sharing protocols with seven First Nations during the year. Overall, by Mar. 31, 2009, 39 First Nations signed data-sharing protocols with Alberta. These protocols provide mechanisms through which future discussions on sharing of information from Traditional Use Studies can take place. Traditional Use Studies also help ensure sites of cultural, historical and spiritual importance to First Nations are avoided during resource development.

Removal of Barriers to Economic Development on First Nations Reserves

The Ministry has been working collaboratively with the federal government and First Nations to remove jurisdictional and regulatory barriers to major developments on First Nations reserves.

The "regulatory gap" can be defined as the absence of a federal regulatory regime for industrial and resource development on Indian reserves and the lack of certainty as to which parts of the provincial regulatory regime apply as a matter of constitutional law. This has been identified as a significant obstacle to investment in on-reserve industrial and resource projects.

A barrier to economic development on-reserve is the "regulatory gap." Closing this gap will mean a seamless regulatory regime across reserve boundaries permitting significant industrial or resource development on-reserve in Alberta. Over the past several years, representatives of the federal government, Alberta, First Nations and industry have worked to bridge this gap assisting industry to gain a better understanding of what it means to do business on-reserve with First Nations.

In December 2008, amendments to the *Government Organization Act* were adopted to clarify which provincial officials or bodies are authorized to exercise the duties or powers agreed to by the province and set out in a negotiated administration and enforcement agreement.

Goal Two Performance Measures

TABLE 3 » PROGRESS ON LAND CLAIMS AND RELATED AGREEMENTS

	2007-08 RESULT	2008-09 RESULT	2008-09 TARGET
2.a Progress on the negotiations and implementation of land claims and related agreements[2]			
• Number of final agreements	5	2	3
• Number of fully implemented agreements	12	15	15
Total	**17**	**17**	**18**

SOURCE: ABORIGINAL RELATIONS

[2] The ministry co-ordinates Alberta's participation in the negotiation of land claims and related agreements between the Government of Canada and First Nations and ensures that the obligations of the province are fulfilled. The figures for performance measure 2.a indicate the status of negotiations at the end of the fiscal year. For example, if a final agreement is fully implemented during the year, it is counted as a fully implemented agreement and no longer counted as a final agreement.

In 2008-09, the implementation of three land claim agreements was concluded. The Ministry, in co-operation with Sustainable Resource Development and Energy, concluded the implementation of the Athabasca Chipewyan First Nation Land Exchange and the Fort McKay First Nation Treaty Land Entitlement Claim by transferring specified lands and mines and minerals to Canada. As well, Alberta's final instalment payment from the 2002 Piikani Settlement Agreement was issued to the First Nation. With these three milestones achieved, the result was a decrease of the number of final agreements to two from five and an increase to the number of fully implemented agreements to 15 from 12.

TABLE 4 » NUMBER OF TRADITIONAL USE DATA-SHARING PROTOCOLS

	2007-08 RESULT	2008-09 RESULT	2008-09 TARGET
2.b Number of collaborative traditional use data-sharing protocols negotiated with First Nation communities.[3]	32	39	35

SOURCE: ABORIGINAL RELATIONS

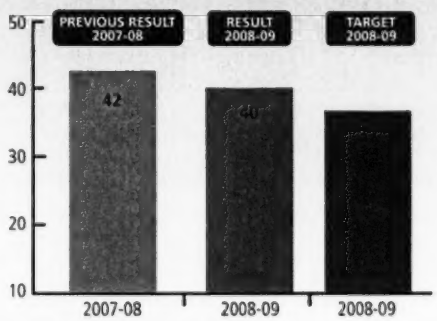
There were 39 traditional use data-sharing agreements signed by March 31, 2009, an increase of seven First Nations compared to 2007-08 and above the target set in the business plan. Until March 31, 2009, the Traditional Use Study program was available to all First Nations in Alberta. However, some First Nations declined signing protocols and terminated their agreements. In other cases, funding lapsed as First Nations were unable to complete an agreement due to the need to address other priorities or issues.

FIGURE 2 » NUMBER OF FIRST NATIONS WITH A SINGLE POINT OF CONTACT FOR CONSULTATION

Reviewed by Auditor General[4]

2.c Number of First Nations with a single point of contact for consultation

SOURCE: ABORIGINAL RELATIONS



DATA 2008-09 AS OF MARCH 31, 2009

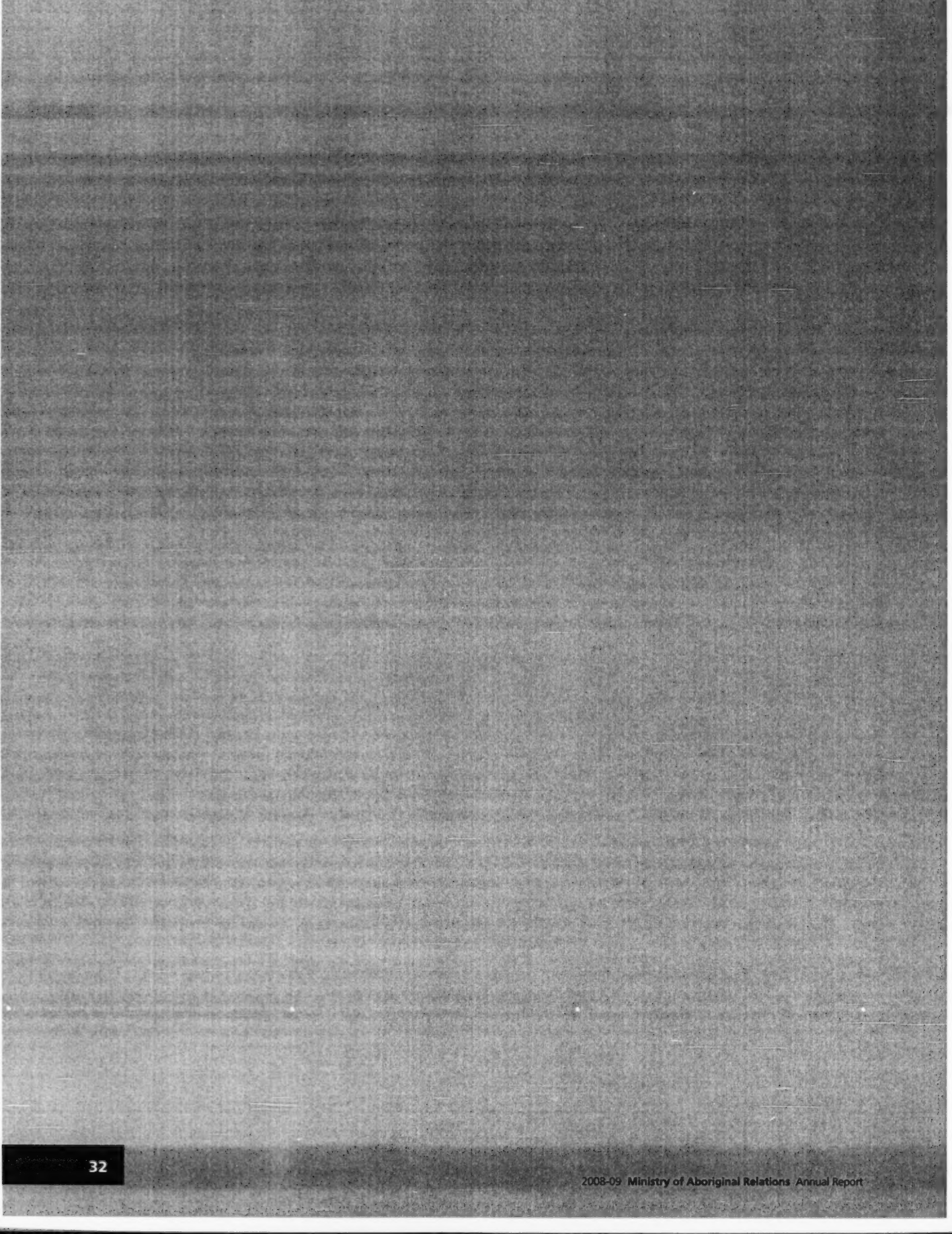
[3] Performance measure 2.b will be discontinued after 2008-09 – final year of the program funding. Therefore, targets for 2009-10 and 2010-11 are not applicable (n/a).

[4] See Note 1 under Performance Measure 1.a.

A single point of contact for consultation is a representative from a First Nation who has been identified as the contact person for the purpose of consultation regarding the management and development of land.

The number of First Nations with a single point of contact for consultation decreased to 40 for 2008-09 from 42 the previous year, but remained above the business plan target of 37. The decrease of two First Nations was due to one First Nation not completing its First Nations Consultation Capacity Investment Program contribution agreement (resulting in the single point of contact not being provided) and the Ministry not receiving a new single point of contact letter from a First Nation when their consultation staff changed.

FINANCIAL INFORMATION



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Auditor's Report

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Aboriginal Relations as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2009 and the result of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

ORIGINAL SIGNED BY FRED J. DUNN, FCA
Auditor General

Edmonton, Alberta
June 10, 2009

Financial Statements

STATEMENT OF OPERATIONS

Year ended March 31, 2009

(IN THOUSANDS)

	2009		RESTATED 2008
	BUDGET (SCHEDULE 3)	ACTUALS	ACTUALS
Revenues (SCHEDULE 1)			
Internal Government Transfers	$ 78,200	$ 102,075	$ 56,121
Other Revenue	-	295	217
	78,200	102,370	56,338
Expenses - Directly Incurred (NOTE 2B AND SCHEDULE 7)			
Voted (SCHEDULES 2 AND 4)			
Ministry Support Services	$ 3,344	$ 3,196	$ 2,305
First Nations and Métis Relations	19,530	20,533	20,979
Métis Settlements Appeal Tribunal	1,075	1,117	953
First Nations Development Fund	78,000	101,877	55,921
Consultation and Land Claims	13,837	13,231	12,915
Policy and Planning	1,217	1,180	1,296
Land and Legal Settlements	-	-	60
	117,003	141,134	94,429
Statutory (SCHEDULES 2 AND 4)			
Valuation Adjustments			
Provision for Vacation Pay	-	235	147
	-	235	147
	117,003	141,369	94,576
Net Operating Results	$ (38,803)	$ (38,999)	$ (38,238)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at March 31, 2009

(IN THOUSANDS)

	2009	RESTATED 2008
ASSETS		
Cash and Cash Equivalents	$ 51	$ -
Accounts Receivable (NOTE 4)	30,732	26,102
Advances (NOTE 5)	210	200
Tangible Capital Assets (NOTE 6)	412	337
	$ 31,405	$ 26,639
LIABILITIES		
Accounts Payable and Accrued Liabilities	$ 37,121	$ 34,705
NET LIABILITIES		
Net Liabilities at Beginning of Year	(8,066)	(7,841)
Net Operating Results	(38,999)	(38,238)
Net Financing Provided from General Revenues	41,349	38,013
Net Liabilities at End of Year	(5,716)	(8,066)
	$ 31,405	$ 26,639

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended March 31, 2009

(IN THOUSANDS)

	2009	RESTATED 2008
Operating Transactions		
Net Operating Results	$ (38,999)	$ (38,238)
Non-Cash Items:		
Amortization	50	45
Valuation Adjustments	235	147
	(38,714)	(38,046)
Increase in Accounts Receivable	(4,630)	(15,458)
Increase in Accounts Payable and Accrued Liabilities	2,181	15,691
Cash Applied to Operating Transactions	(41,163)	(37,813)
Capital Transactions		
Acquisition of Tangible Capital Assets	(125)	-
Investing Transactions		
Increase in Advances	(10)	(200)
Financing Transactions		
Net Financing Provided from General Revenues	41,349	38,013
Increase in Cash and Cash Equivalents	51	-
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	$ 51	$ -

The accompanying notes and schedules are part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2009

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Aboriginal Relations operates under the authority of the *Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000.*

The purpose of the Ministry is to lead in the development of government-wide strategies and policies to enhance capacity and well-being of Aboriginal people, by building respectful relationships, collaborating and partnering with other ministries, Aboriginal governments and organizations, industry, other levels of government, and various stakeholders. The Ministry fulfills this role by focusing on the following two goals:

- Building capacity for economic participation, self-reliance and effective governance within Aboriginal governments and organizations.
- Lead Alberta's Aboriginal consultation strategy and facilitate the resolution of land issues.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The PSAB financial presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the departments.

(a) Reporting Entity

The reporting entity is the Ministry of Aboriginal Relations for which the Minister of Aboriginal Relations is accountable. The Ministry Annual Report provides a comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

INTERNAL GOVERNMENT TRANSFERS

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

DIRECTLY INCURRED

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and all eligibility criteria have been met.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

INCURRED BY OTHERS

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 7.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Liabilities

Net liabilities represents the difference between the carrying value of assets held by the Ministry and its liabilities.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transactions between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3 GOVERNMENT REORGANIZATION

(in thousands)

The Ministry of Aboriginal Relations was established as a result of restructuring of government ministries announced on March 12, 2008 and other transfers of responsibilities to and from other departments. Comparatives for 2008 have been restated as if the Ministry had always been assigned with its current responsibilities. Net liabilities on March 31, 2007 are made up as follows:

Net liabilities as previously reported by International, Intergovernmental and Aboriginal Relations	$ (9,500)
Transfer to the Ministry of International and Intergovernmental Relations	1,659
Net liabilities at March 31, 2007	$ (7,841)

The First Nations Development Fund program was also transferred from the former Ministry of Tourism, Parks, Recreation and Culture with no effect to March 31, 2007 Net Liabilities.

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

	2009			2008
	GROSS AMOUNT	ALLOWANCE FOR DOUBTFUL ACCOUNTS	NET REALIZABLE VALUE	NET REALIZABLE VALUE
Accounts Receivable	**$30,732**	**$ -**	**$30,732**	$26,102

Accounts receivable are unsecured and non-interest bearing.

NOTE 5 ADVANCES

(in thousands)

	2009	2008
	NET REALIZABLE VALUE	NET REALIZABLE VALUE
Travel and Other Advances	**$ 210**	$ 200

NOTE 6 TANGIBLE CAPITAL ASSETS

(in thousands)

	EQUIPMENT[a]	COMPUTER HARDWARE AND SOFTWARE	2009 TOTAL	2008 TOTAL
Estimated Useful Life	5 - 10 years	3 -10 years		
Historical Cost				
Beginning of year	$ 95	$ 317	**$ 412**	$ 412
Additions	-	125	**125**	-
	$ 95	$ 442	**$ 537**	$ 412
Accumulated Amortization				
Beginning of year	$ 27	$ 48	**$ 75**	$ 30
Amortization	9	41	**50**	45
	$ 36	$ 89	**$ 125**	$ 75
Net book value at March 31, 2009	$ 59	$ 353	**$ 412**	
Net book value at March 31, 2008	$ 68	$ 269		$ 337

[a] Equipment includes office equipment and furniture.

NOTE 7 CONTRACTUAL OBLIGATIONS

(in thousands)

	2009	2008
Service Contracts	**$ 1,291**	$ 643
Grants	**20,203**	4,629
	$21,494	$ 5,272

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	SERVICE CONTRACTS	GRANTS	TOTAL
2010	$ 1,255	$13,483	$14,738
2011	36	6,720	6,756
	$ 1,291	$20,203	$21,494

NOTE 8 CONTINGENT LIABILITIES

(in thousands of dollars)

As at March 31, 2009, the Ministry of Aboriginal Relations was a defendant in respect of 32 claims (2008 – 30) concerning Aboriginal rights, Indian title and treaty rights. In most cases, these claims have been filed jointly and severally against the Ministry and the Government of Canada, and in some cases involve third parties. Of these claims, 18 (2008 – 17) have specified amounts totaling $110,584,950 (2008 – $109,968,550) plus a provision for interest and other costs that are not now calculable. Of the 18 claims (2008 – 17) with specified amounts, the Ministry has been jointly named with other entities in 4 claims (2008 – 3) totaling $1,016,450 (2008 – $1,000,050). The other 14 claims (2008 – 13) have not specified any amounts and the Ministry is named jointly with other entities in 9 (2008 – 7) claims. At this time, the outcome of these claims cannot be determined. In addition, there are 3 (2008 – 3) treaty land entitlement claims for which Alberta may have an obligation under the Natural Resource Transfer Agreement.

NOTE 9 DEFINED BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $1,060 for the year ended March 31, 2009 (2008 - $855).

NOTE 9 DEFINED BENEFIT PLANS (continued)

At December 31, 2008, the Management Employees Pension Plan reported a deficiency of $568,574 (2007 – a deficiency of $84,341) and the Public Service Pension Plan reported a deficiency of $1,187,538 (2007 – $92,509 as restated). At December 31, 2008, the Supplementary Retirement Plan for Public Service Managers had a surplus of $7,111 (2007 – a surplus of $1,510).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2009, the Bargaining Unit Plan reported an actuarial deficiency of $33,540 (2008 – $6,319)) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $1,051 (2008 – actuarial surplus of $7,874). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 10 COMPARATIVE FIGURES

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister of Aboriginal Relations.

SCHEDULES TO THE FINANCIAL STATEMENTS

SCHEDULE 1

Revenues

Year ended March 31, 2009

(IN THOUSANDS)

	2009		RESTATED 2008
	BUDGET	ACTUAL	ACTUAL
Internal Government Transfers			
Transfers from the Lottery Fund	$ 78,200	$ 102,075	$ 56,121
Other Revenue			
Refund of Expenditure	-	295	199
Others	-	-	18
	$ 78,200	$ 102,370	$ 56,338

SCHEDULE 2

Expenses - Directly Incurred Detailed by Object

Year ended March 31, 2009

(IN THOUSANDS)

	2009		RESTATED 2008
	BUDGET	ACTUAL	ACTUAL
Voted:			
Salaries, Wages and Employee Benefits	$ 8,294	$ 9,014	$ 8,034
Salaries, Wages and Employee Benefits from Support Service Arrangements with Related Parties[a]	-	1,337	-
Supplies and Services	2,564	3,977	4,066
Supplies and Services from Support Service Arrangements with Related Parties[a]	1,996	616	-
Grants	104,021	125,913	82,217
Financial Transactions and Other	95	227	67
Amortization of Tangible Capital Assets	33	50	45
Total Voted Expenses	$ 117,003	$ 141,134	$ 94,429
Statutory:			
Grants			
Métis Settlements Legislation	$ -	$ -	$ -
Valuation Adjustments			
Provision for Vacation Pay	-	235	147
	$ -	$ 235	$ 147

[a] As of April 1, 2008, the Ministry of Aboriginal Relations receives Information Management Technology, Freedom of Information and Privacy Act, Finance, Administration and Human Resource services from the Ministry of International and Intergovernmental Relations.

SCHEDULE 3

Budget

Year ended March 31, 2009

(IN THOUSANDS)

	2008-09 ESTIMATES	ADJUSTMENTS[a]	2008-09 BUDGET	AUTHORIZED SUPPLEMENTARY[c]	2008-09 AUTHORIZED BUDGET
Revenues					
Internal Government Transfers	$ 78,200	$ -	$ 78,200	$ 32,000	$ 110,200
	78,200	-	78,200	32,000	110,200
Expenses - Directly Incurred					
Voted Expenses					
Ministry Support Services[b]	3,344	(50)	3,294	-	3,294
First Nations and Métis Relations[b]	19,530	-	19,530	1,300	20,830
Métis Settlements Appeal Tribunal	1,075	-	1,075	-	1,075
First Nations Development Fund	78,000	-	78,000	32,000	110,000
Consultation and Land Claims	13,837	-	13,837	-	13,837
Policy and Planning[b]	1,217	-	1,217	-	1,217
	117,003	(50)	116,953	33,300	150,253
Statutory Expenses					
Valuation Adjustment					
Provision for Vacation Pay	-	-	-	-	-
Net Operating results	$ (38,803)	$ 50	$ (38,753)	$ (1,300)	$ (40,053)
Net Operating results Equipment/ Inventory Purchases (EIP)	$ 25	$ 50	$ 75	$ -	$ 75

[a] Treasury Board approved changes on October 22, 2008 from Operating to EIP.

[b] Internal reallocation occurred after publication of estimates document.

[c] Supplementary Estimates were approved on December 4, 2008.

SCHEDULE 4

Comparison of Expenses - Directly Incurred, EIP and Capital Investment and Statutory Expenses by Element to Authorized Budget

Year ended March 31, 2009

(IN THOUSANDS)

VOTED EXPENSE, EIP AND CAPITAL INVESTMENT		2008-09 ESTIMATES	2008-09 ADJUSTMENTS[a]	2008-09 BUDGET	AUTHORIZED SUPPLEMENTARY[a]	2008-09 AUTHORIZED BUDGET	2008-09 ACTUAL[a]	UNEXPENDED (OVER EXPENDED)
1. Ministry Support Services								
1.0.1	Minister's Office	$ 500	$ -	$ 500	$ -	$ 500	$ 475	$ 25
1.0.2	Deputy Minister's Office	500	-	500	-	500	467	33
1.0.3	Communications	237	-	237	-	237	223	14
1.0.4	Corporate Services							
	- Expense	1,982	(50)	1,932	-	1,932	1,828	104
	- EIP	25	50	75	-	75	125	(50)
1.0.5	Cabinet Policy Committee	125	-	125	-	125	203	(78)
		3,369	-	3,369	-	3,369	3,321	48
2. Aboriginal Relations and Consultation								
2.1	First Nations and Métis Relations							
2.1.1	Program Support	950	-	950	-	950	798	152
2.1.2	Aboriginal Economic Partnerships	4,770	-	4,770	700	5,470	4,682	788
2.1.3	First Nations Relations[c]							
	- Expense	3,020	-	3,020	-	3,020	3,539	(519)
	- Expense Funded by Lotteries	200	-	200	-	200	200	-
2.1.4	Métis Relations[c]	2,475	-	2,475	600	3,075	2,966	109
2.1.5	Métis Settlements Land Registry	470	-	470	-	470	495	(25)
2.1.6	Métis Settlements Ombudsman	645	-	645	-	645	853	(208)
2.1.7	Métis Settlements Transitional Funding	7,000	-	7,000	-	7,000	7,000	-
		19,530	-	19,530	1,300	20,830	20,533	297

SCHEDULE 4...continued

VOTED EXPENSE, EIP AND CAPITAL INVESTMENT	2008-09 ESTIMATES	ADJUSTMENTS[a]	2008-09 BUDGET	AUTHORIZED SUPPLEMENTARY[b]	2008-09 AUTHORIZED BUDGET	2008-09 ACTUAL[c][d]	UNEXPENDED (OVER EXPENDED)
2.2 Métis Settlements Appeal Tribunal							
2.2.1 Métis Settlements Appeal Tribunal	1,075	-	1,075	-	1,075	1,117	(42)
2.3 First Nations Development Fund							
2.3.1 First Nations Development Fund							
- Expense Funded by Lotteries	78,000	-	78,000	32,000	110,000	101,875	8,125
- Expense	-	-	-	-	-	2	(2)
	78,000	-	78,000	32,000	110,000	101,877	8,123
2.4 Consultation and Land Claims							
2.4.1 Program Support	760	-	760	-	760	837	(77)
2.4.2 Land and Regulatory Issues	1,140	-	1,140	-	1,140	688	452
2.4.3 Resource Consultation and Traditional Use	11,937	-	11,937	-	11,937	11,706	231
	13,837	-	13,837	-	13,837	13,231	606
2.5 Policy and Planning							
2.5.1 Policy and Planning	1,217	-	1,217	-	1,217	1,180	37
2.6 Land and Legal Settlements							
2.6.1 Land and Legal Settlements	-	-	-	-	-	-	-
Operating Expense	38,803	(50)	38,753	1,300	40,053	39,059	994
Expense funded by lotteries	78,200	-	78,200	32,000	110,200	102,075	8,125
Equipment/Inventory Purchases	25	50	75	-	75	125	(50)
	$117,028	$ -	$117,028	$ 33,300	$150,328	$141,259	$ 9,069
Statutory Expenses:							
Valuation Adjustments	$ -	$ -	$ -	$ -	$ -	$ 235	$ (235)
	$ -	$ -	$ -	$ -	$ -	$ 235	$ (235)

[a] Treasury Board approved changes on October 22, 2008 from Operating to EIP.

[b] Supplementary Estimates were approved on December 4, 2008.

[c] Internal reallocation of funding occurred after estimates publication.

[d] Includes achievement bonus amounting to $439.

SCHEDULE 5

Salary and Benefits Disclosure

Year ended March 31, 2009

	2009				2008
	BASE SALARY[1]	OTHER CASH BENEFITS[2]	OTHER NON-CASH BENEFITS[3]	TOTAL	TOTAL
Deputy Minister[4]	$253,668	$ 57,000	$ 59,707	$370,375	$ -
Executives					
Assistant Deputy Minister - First Nation Métis Relations	177,828	33,787	44,235	255,850	232,650
Assistant Deputy Minister - Consultation and Land Claims[5]	105,842	59,977	5,518	171,337	52,136
Assistant Deputy Minister - Corporate Services[6]	155,418	25,154	39,212	219,784	176,163
Executive Director - Policy and Planning	124,608	21,720	30,598	176,926	155,645

Total salary and benefits relating to a position are disclosed.
Schedule prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include bonuses, vacation payouts, and lump sum payments.

(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional membership and tuition.

(4) Automobile provided, no dollar amount included in other non-cash benefits.

(5) Individual was appointed commencing August 2008. The amounts represent salary and benefits for August 2008 to March 2009. The responsibilities for this position were carried out by ADM - First Nations Métis Relations for the period June 2007 to July 2008.

(6) The incumbent's services are shared with the Department of International and Intergovernmental Relations which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.

SCHEDULE 6

Related Party Transactions

Year Ended March 31, 2009

(IN THOUSANDS)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties. These transactions are recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2009	2008
Revenues		
Grants	$102,075	$56,121
Expenses – Directly Incurred		
Supplies and Services Provided by Other Ministries	$ 104	$ 68
Receivable from/payable to	$ 30,631	$26,043

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 7.

	2009	2008
Expenses – Incurred by Others		
Accommodation	**$ 1,227**	$ 1,115
Legal	**1,300**	888
Air transportation	**160**	50
Business Services & Other	**835**	745
	$ 3,522	$ 2,798

SCHEDULE 7

Allocated Costs

Year ended March 31, 2009

(IN THOUSANDS)

	2009							RESTATED 2008
		EXPENSES INCURRED BY OTHERS				VALUATION ADJUSTMENTS		
	EXPENSES[1]	ACCOM-MODATION COSTS[a]	LEGAL SERVICES[b]	AIR TRANS-PORTATION	BUSINESS SERVICES & OTHER[c]	VACATION PAY	EXPENSES	EXPENSES
Ministry Support Services	$ 3,196	$ 347	$ -	$ -	$ 731	$ 143	$ 4,417	$ 3,359
First Nations and Métis Relations	20,533	326	455	80	-	48	21,442	21,791
Métis Settlements Appeal Tribunal	1,117	280	-	-	-	12	1,409	1,059
First Nations Development Fund	101,877	30	-	-	104	11	102,022	55,960
Consultation and Land Claims	13,231	170	845	80	-	14	14,340	13,775
Policy and Planning	1,180	74	-	-	-	7	1,261	1,370
Land and Legal Settlements	-	-	-	-	-	-	-	60
	$141,134	$1,227	$1,300	$ 160	$ 835	$ 235	$144,891	$97,374

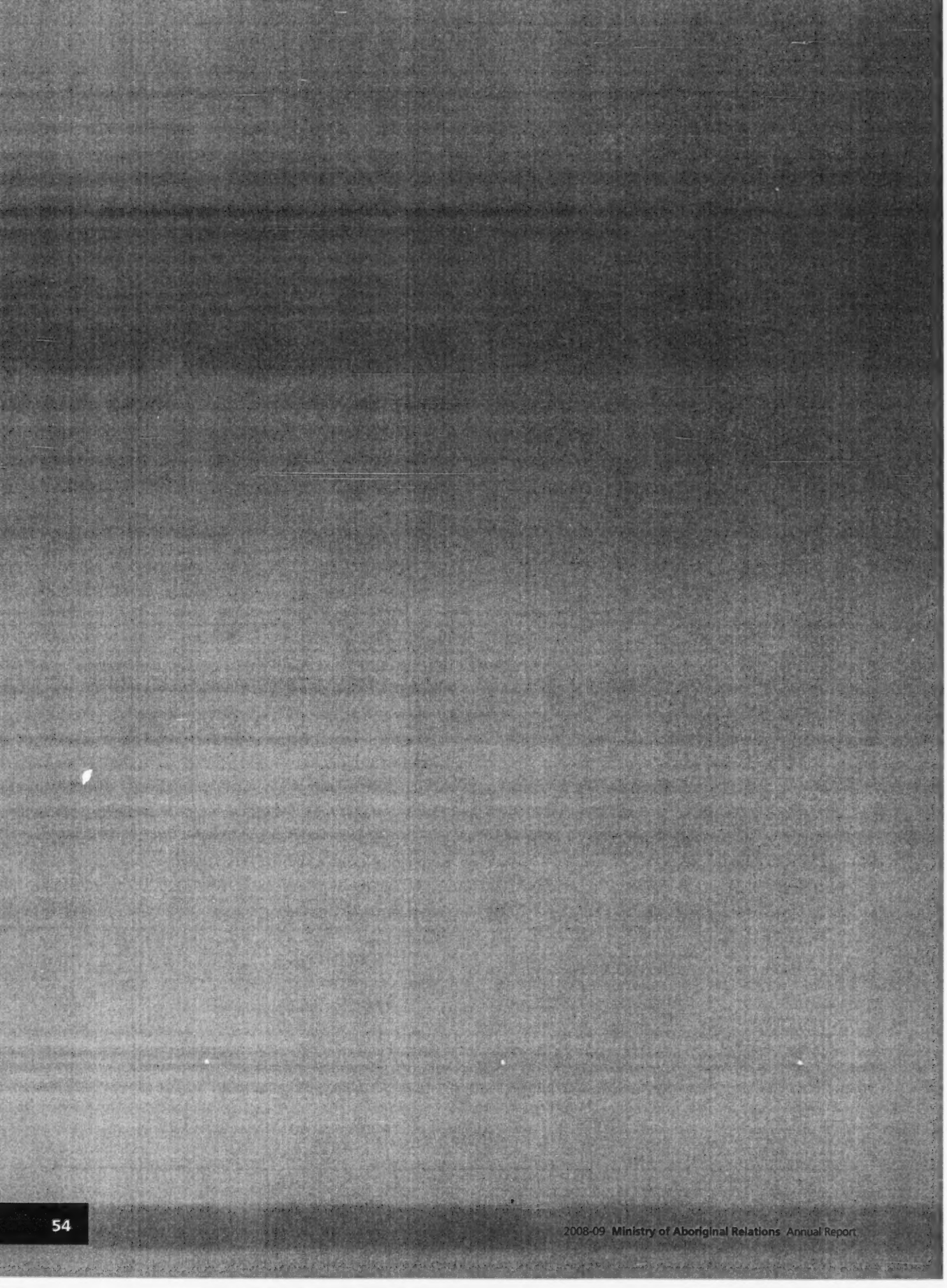
[1] Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

[a] Costs shown for Accommodation on Schedule 6, allocated by square footage.

[b] Costs shown for Legal Services on Schedule 6, allocated by estimated costs incurred by each program.

[c] Other costs (Service Alberta expense not billed + internal audit costs based on 50/50 split).

OTHER INFORMATION



Performance Measures Methodology

Strategic Economic Partnerships

1.a – Number of First Nations negotiating strategic economic partnerships with industry and other organizations

This measure is the number of First Nations negotiating strategic economic partnerships with industry and other organizations, funded through the Strategic Economic Initiatives grant program, designed to increase First Nations participation in the economy.

Eligible applicants include First Nations, Tribal Councils, First Nations companies and organizations or non-government organizations that directly promote the economic capacity-building of First Nations. Non-First Nations applicants are considered where there is First Nations support. In this case, the applicant negotiates strategic economic partnerships on behalf of the First Nation. First Nations involved in more than one partnership are counted only once.

Land Claims and Related Agreements

2.a – Progress on the negotiation and implementation of land claims and related agreements

Progress on land claims and related agreements is reviewed at the end of the fiscal year and tallied according to whether new developments fall into the categories of "final agreement" or "fully implemented." The results are cumulative; however, no agreement is counted twice. For example, if progress in negotiations advances from final agreement to full implementation, the number of final agreements declines by one, while the number of full implementation agreements increases by one.

If an agreement includes more than one First Nation, each First Nation is counted. For example, if two First Nations are party to a final agreement, then two final agreements are recorded.

Traditional Use Data Sharing

2.b – Number of collaborative traditional use data-sharing protocols negotiated with First Nation communities

This measure is the number of data-sharing protocols negotiated by the end of the fiscal year. It includes protocols agreed to in prior years.

Data-sharing protocols are general agreements negotiated with First Nations to ultimately allow appropriate Government access to information collected through Traditional Use Studies. Sharing information enables industry or other organizations to be notified when a First Nation site may be impacted by resource development activity and facilitates the consultation process.

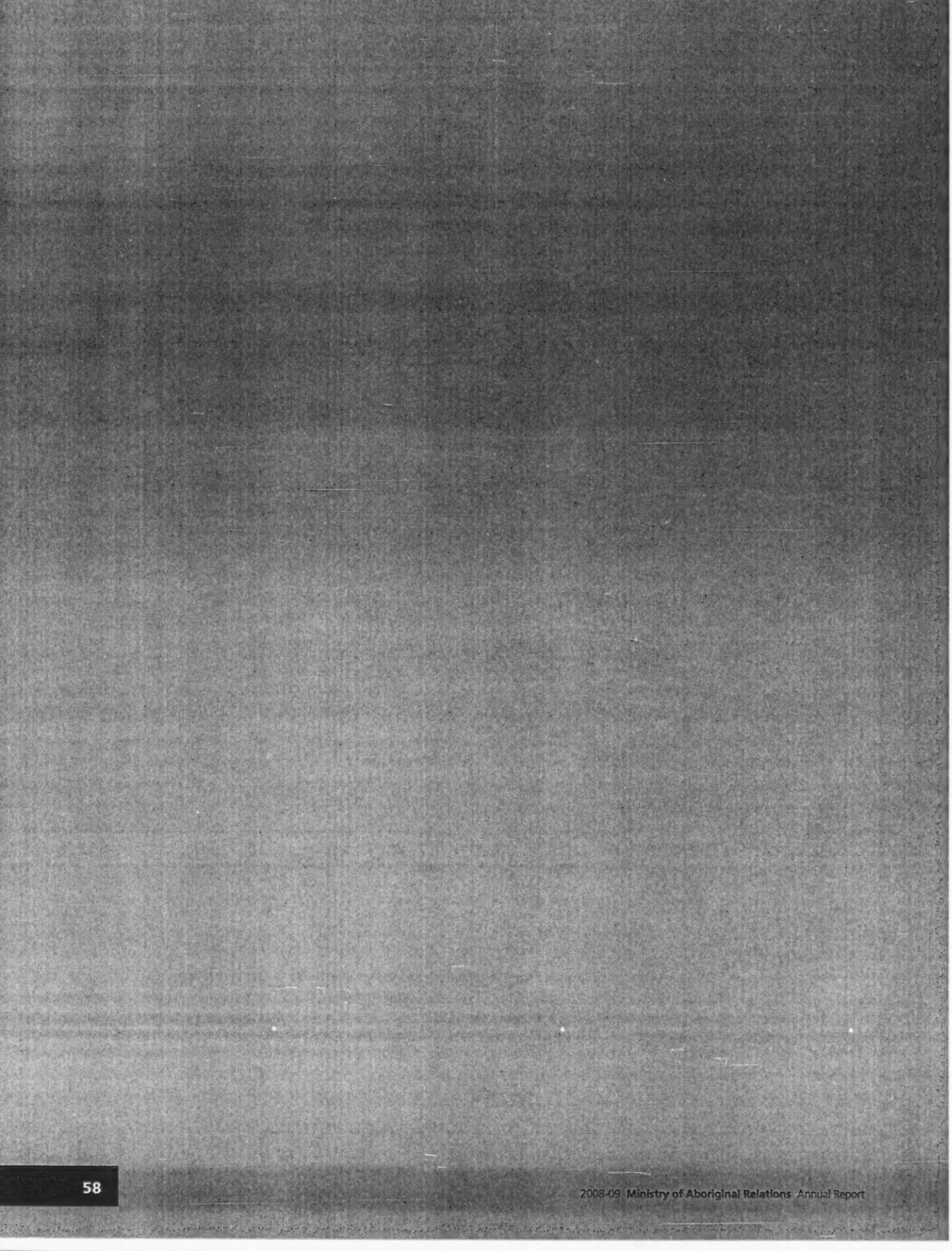
Contacts for Consultation

2.c – Number of First Nations with a single point of contact for consultation

This measure is the number of First Nations with a single point of contact for consultation regarding the management and development of land. The Ministry requests that First Nations identify a contact person as a requirement for consultation capacity funding. First Nations not accessing funding may also voluntarily identify a single point of contact.

Names of contacts for consultation purposes, endorsed by the First Nation, are provided in writing by First Nations and then posted on the Ministry's website.

ALPHABETICAL LIST OF GOVERNMENT ENTITIES' FINANCIAL STATEMENTS



Entities Included in the Consolidated Government Reporting Entity

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Access to the Future Fund	Advanced Education and Technology
Agriculture Financial Services Corporation	Agriculture and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Cancer Prevention Legacy Fund	Finance and Enterprise
Alberta Capital Finance Authority	Finance and Enterprise
Alberta Energy and Utilities Board[1]	Energy
Alberta Enterprise Corporation[2]	Advanced Education and Technology
Alberta Foundation for the Arts	Culture and Community Spirit
Alberta Gaming and Liquor Commission	Solicitor General and Public Security
Alberta Heritage Foundation for Medical Research Endowment Fund	Finance and Enterprise
Alberta Heritage Savings Trust Fund	Finance and Enterprise
Alberta Heritage Scholarship Fund	Finance and Enterprise
Alberta Heritage Science and Engineering Research Endowment Fund	Finance and Enterprise
Alberta Historical Resources Foundation	Culture and Community Spirit
Alberta Insurance Council	Finance and Enterprise
Alberta Investment Management Corporation[3]	Finance and Enterprise
Alberta Livestock and Meat Agency[4]	Agriculture and Rural Development
Alberta Local Authorities Pension Plan Corporation	Finance and Enterprise
Alberta Pensions Administration Corporation	Finance and Enterprise
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Advanced Education and Technology
Alberta Risk Management Fund	Finance and Enterprise
Alberta School Foundation Fund	Education

[1] Effective Jan. 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.

[2] The Act was proclaimed and came into force on December 5, 2008.

[3] Began operations July 1, 2008.

[4] Incorporated on Jan. 29, 2009.

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Alberta Securities Commission	Finance and Enterprise
Alberta Social Housing Corporation	Housing and Urban Affairs
Alberta Sport, Recreation, Parks and Wildlife Foundation	Tourism, Parks and Recreation
Alberta Treasury Branches	Finance and Enterprise
Alberta Utilities Commission[1]	Energy
ATB Insurance Advisors Inc.	Finance and Enterprise
ATB Investment Management Inc.	Finance and Enterprise
ATB Investment Services Inc.	Finance and Enterprise
ATB Securities Inc.	Finance and Enterprise
Child and Family Services Authorities: Calgary and Area Child and Family Services Authority Central Alberta Child and Family Services Authority East Central Alberta Child and Family Services Authority Edmonton and Area Child and Family Services Authority North Central Alberta Child and Family Services Authority Northeast Alberta Child and Family Services Authority Northwest Alberta Child and Family Services Authority Southeast Alberta Child and Family Services Authority Southwest Alberta Child and Family Services Authority Métis Settlements Child and Family Services Authority	Children and Youth Services
C-FER Technologies (1999) Inc.	Advanced Education and Technology
Climate Change and Emissions Management Fund[5]	Environment
Credit Union Deposit Guarantee Corporation	Finance and Enterprise
Colleges: Alberta College of Art and Design Bow Valley College Grande Prairie Regional College Grant MacEwan College Keyano College Lakeland College Lethbridge Community College Medicine Hat College Mount Royal College NorQuest College Northern Lakes College Olds College Portage College Red Deer College	Advanced Education and Technology

[1] Effective Jan. 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.

[5] Began operations July 1, 2007.

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Department of Advanced Education and Technology	Advanced Education and Technology
Department of Agriculture and Rural Development	Agriculture and Rural Development
Department of Children and Youth Services	Children and Youth Services
Department of Culture and Community Spirit	Culture and Community Spirit
Department of Education	Education
Department of Energy	Energy
Department of Finance and Enterprise	Finance and Enterprise
Department of Environment	Environment
Department of Health and Wellness	Health and Wellness
Department of Housing and Urban Affairs	Housing and Urban Affairs
Department of Municipal Affairs	Municipal Affairs
Department of Seniors and Community Supports	Seniors and Community Supports
Department of Solicitor General and Public Security	Solicitor General and Public Security
Department of Sustainable Resource Development	Sustainable Resource Development
Department of Tourism, Parks and Recreation	Tourism, Parks and Recreation
Energy Resources Conservation Board[1]	Energy
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance and Enterprise
Government House Foundation	Culture and Community Spirit
Historic Resources Fund	Culture and Community Spirit
Human Rights, Citizenship and Multiculturalism Education Fund	Culture and Community Spirit
iCORE Inc.	Advanced Education and Technology
Lottery Fund	Solicitor General and Public Security
Ministry of Aboriginal Relations[6]	Aboriginal Relations

[1] Effective Jan. 1, 2008, the Alberta Energy and Utilities Board was realigned into two separate regulatory bodies: the Alberta Utilities Commission and the Energy Resources Conservation Board.

[6] Ministry includes only the departments so separate financial statements are not necessary.

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Ministry of Culture and Community Spirit	Culture and Community Spirit
Ministry of Education	Education
Ministry of Employment and Immigration[6]	Employment and Immigration
Ministry of Energy	Energy
Ministry of Environment	Environment
Ministry of Executive Council[6]	Executive Council
Ministry of Finance and Enterprise	Finance and Enterprise
Ministry of Health and Wellness	Health and Wellness
Ministry of Housing and Urban Affairs	Housing and Urban Affairs
Ministry of Infrastructure[6]	Infrastructure
Ministry of International and Intergovernmental Relations[6]	International and Intergovernmental Relations
Ministry of Justice[6]	Justice
Ministry of Municipal Affairs	Municipal Affairs
Ministry of Seniors and Community Supports	Seniors and Community Supports
Ministry of Service Alberta[6]	Service Alberta
Ministry of Solicitor General and Public Security	Solicitor General and Public Security
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Tourism, Parks and Recreation	Tourism, Parks and Recreation
Ministry of Transportation[6]	Transportation
Ministry of the Treasury Board[6]	Treasury Board
N.A. Properties (1994) Ltd.	Finance and Enterprise
Natural Resources Conservation Board	Sustainable Resource Development
Ministry of the Treasury Board[6]	Treasury Board
N.A. Properties (1994) Ltd.	Finance and Enterprise
Natural Resources Conservation Board	Sustainable Resource Development

[6] Ministry includes only the departments so separate financial statements are not necessary.

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Persons with Developmental Disabilities Community Boards: Calgary Region Community Board Central Region Community Board Edmonton Region Community Board Northeast Region Community Board Northwest Region Community Board South Region Community Board	Seniors and Community Supports
Provincial Judges and Masters in Chambers Reserve Fund	Finance and Enterprise
Regional Health Authorities and Provincial Health Boards: Alberta Cancer Board Alberta Mental Health Board Aspen Regional Health Authority Calgary Health Region Capital Health Chinook Regional Health Authority David Thompson Regional Health Authority East Central Health Health Quality Council of Alberta Northern Lights Health Region Peace Country Health Palliser Health Region	Health and Wellness
Safety Codes Council	Municipal Affairs
School Boards and Charter Schools: Almadina School Society Almadina School Society Aspen View Regional Division No. 19 Aurora School Ltd. Battle River Regional Division No. 31 Black Gold Regional Division No. 18 Boyle Street Education Centre Buffalo Trail Public Schools Regional Division No. 28 Calgary Arts Academy Society Calgary Girls' School Society Calgary Roman Catholic Separate School District No. 1 Calgary School District No. 19 Calgary Science School Society Canadian Rockies Regional Division No. 12 CAPE-Centre for Academic and Personal Excellence Institute Chinook's Edge School Division No. 73 Christ the Redeemer Catholic Separate Regional Division No. 3 Clearview School Division No. 71 East Central Alberta Catholic Separate Schools Regional Division No. 16 East Central Francophone Education Region No. 3 Edmonton Catholic Separate School District No. 7 Edmonton School District No. 7 Elk Island Catholic Separate Regional Division No. 41 Elk Island Public Schools Regional Division No. 14	Education

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
School Boards and Charter Schools continued:	*Education*
Evergreen Catholic Separate Regional Division No. 2	
FFCA Charter School Society	
Foothills School Division No. 38	
Fort McMurray Roman Catholic Separate School District No. 32	
Fort McMurray School District No. 2833	
Fort Vermilion School Division No. 52	
Golden Hills School Division No. 75	
Grande Prairie Public School District No. 2357	
Grande Prairie Roman Catholic Separate School District No. 28	
Grande Yellowhead Regional Division No. 35	
Grasslands Regional Division No. 6	
Greater North Central Francophone Education Region No. 2	
Greater Southern Public Francophone Education Region No. 4	
Greater Southern Separate Catholic Francophone Education Region No. 4	
Greater St. Albert Catholic Regional Division No. 29	
High Prairie School Division No. 48	
Holy Family Catholic Regional Division No. 37	
Holy Spirit Roman Catholic Separate Regional Division No. 4	
Horizon School Division No. 67	
Lakeland Roman Catholic Separate School District No. 150	
Lethbridge School District No. 51	
Living Waters Catholic Regional Division No. 42	
Livingstone Range School Division No. 68	
Medicine Hat Catholic Separate Regional Division No. 20	
Medicine Hat School District No. 76	
Moberly Hall School Society	
Mother Earth's Children's Charter School Society	
New Horizons Charter School Society	
Northern Gateway Regional Division No. 10	
Northern Lights School Division No. 69	
Northland School Division No. 61	
Northwest Francophone Education Region No. 1	
Palliser Regional Division No. 26	
Parkland School Division No. 70	
Peace River School Division No. 10	
Peace Wapiti School Division No. 76	
Pembina Hills Regional Division No. 7	
Prairie Land Regional Division No. 25	
Prairie Rose School Division No. 8	
Red Deer Catholic Regional Division No. 39	
Red Deer School District No. 104	
Rocky View School Division No. 41	
St. Albert Protestant Separate School District No. 6	
St. Paul Education Regional Division No. 1	
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38	
Sturgeon School Division No. 24	
Suzuki Charter School Society	
Westmount Charter School Society	
Westwind School Division No. 74	
Wetaskiwin Regional Division No. 11	
Wild Rose School Division No. 66	
Wolf Creek School Division No. 72	

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Supplementary Retirement Plan Reserve Fund	Finance and Enterprise
Technical Institutes and The Banff Centre: Northern Alberta Institute of Technology Southern Alberta Institute of Technology The Banff Centre for Continuing Education	Advanced Education and Technology
Universities: Athabasca University The University of Alberta The University of Calgary The University of Lethbridge	Advanced Education and Technology
Victims of Crime Fund	Solicitor General and Public Security
Wild Rose Foundation	Culture and Community Spirit

Entities Not Included in the Consolidated Government Reporting Entity

FUND OR AGENCY	MINISTRY ANNUAL REPORT
Alberta Foundation for Health Research	Advanced Education and Technology
Alberta Heritage Foundation for Medical Research	Advanced Education and Technology
Alberta Heritage Foundation for Science and Engineering Research	Advanced Education and Technology
Alberta Teachers' Retirement Fund Board	Education
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance and Enterprise
Long-Term Disability Income Continuance Plan – Bargaining Unit	Treasury Board
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Treasury Board
Management Employees Pension Plan	Finance and Enterprise
Provincial Judges and Masters in Chambers (Registered) Pension Plan	Finance and Enterprise
Public Service Management (Closed Membership) Pension Plan	Finance and Enterprise
Public Service Pension Plan	Finance and Enterprise
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance and Enterprise
Supplementary Retirement Plan for Public Service Managers	Finance and Enterprise
Workers' Compensation Board	Employment and Immigration

Aboriginal Relations

Annual Report
2008-2009

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